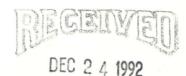
BARNEYS CANYON MINE P.O. Box 311 Bingham Canyon, Utah 84006-0311 (801) 569-7200 FAX (801) 569-7190

David I. Hodson General Manager



Kennecott

DIVISION OF OR GAS & PAINING

December 22, 1992

Dr. Dianne Nielson Director Division of Oil, Gas & Mining 355 West North Temple 3 Triad Center Salt Lake City, Utah 84180-1203

RE: Barneys Canyon Mine Permit Revision - M/035/009

Dear Dr. Nielson:

The NOI revision approved in December 1992 included provision that Barneys Canyon Mine would work with DOGM to establish an appropriate revegetation standard for the Melco Mine waste dumps. The standard was to be defined by December 31st 1992.

In connection with this issue, Barneys Canyon employed JBR Consultants to carry out field surveys of the vegetation quality on previously reclaimed ground and on undisturbed ground at similar elevation and aspect. However, because of the poor weather conditions (including heavy snow cover) it was not possible to obtain adequate field data particularly for the undisturbed areas. A meeting was held with your staff on November 25th at which the available data was presented and it was agreed that no reasonable revegetation standard could be agreed at that time because of the limited data set.

Since then, Barneys Canyon has also obtained theoretical analysis of erosion potential of waste dump slopes and topsoil from our consultants Steffen, Robertson and Kirsten but because of other work commitments we are unable to meet with SRK to discuss the results until after the holiday season.

We would like to propose further discussions with DOGM staff in late January but it is probable that more field work will be required in the spring after the snow has melted. In discussion with your staff it was suggested that June 30th 1993 is a more realistic date for us to reach agreement on the appropriate revegetation standard and so we would appreciate your agreement to this revised deadline.

May I take this opportunity to wish you and your staff a Merry Christmas and a Happy New Year.

Yours sincerely

D. I. Hodson General Manager Barneys Canyon Mine